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CONFIDENTIAL STATE 217991

E.O. 12958: DECL: 07/21/2013
TAGS: <u>EAID PGOV PHUM PREF PREL SOCI ID</u>
SUBJECT: ASSISTANT SECRETARY KELLY'S MEETING WITH
COORDINATING MINISTER JUSUF KALLA

CLASSIFIED BY: EAP A/S JAMES A. KELLY. REASON: 1.5(B) AND (D).

- 11. (C) SUMMARY. A/S KELLY MET JULY 21 WITH COORDINATING MINISTER JUSUF KALLA, WHO SAID HE LOOKED FORWARD TO VYING FOR GOLKAR'S PRESIDENTIAL NOMINATION IN THE 2004 ELECTIONS. KALLA SPOKE OF THE GOI'S NEED TO COMBAT POVERTY AND IMPROVE PRIMARY EDUCATION TO REDUCE THE APPEAL OF RELIGIOUS EXTREMISM FANNED BY "OUTSIDER" CLERICS. KALLA SAID THE GOI WAS MAKING PROGRESS IN ITS NATIONAL ANTI-AIDS CAMPAIGN DESPITE LOCAL OPPOSITION AGAINST CONDOM USE. A/S KELLY SAID HE WAS ENCOURAGED BY INDONESIA'S CONTINUOUS SUCCESS AT BREAKING UP TERRORIST NETWORKS AND HE URGED KALLA TO PRESS FOR CONTINUED TNI COOPERATION ON THE TIMIKA/TEMBAGAPURA KILLING. A/S KELLY ALSO EMPHASIZED THE IMPORTANCE OF FIGHTING AIDS AND THE SCOURGE OF TRAFFICKING-IN-PERSONS. END SUMMARY.
- 12. (C) A/S KELLY MET GOI COORDINATING MINISTER FOR PEOPLE'S WELFARE, JUSUF KALLA, IN A JULY 21 COURTESY CALL DURING KALLA'S VISIT TO WASHINGTON. KELLY NOTED KALLA'S PROPITIOUS TIMING, GIVEN RECENT MEDIA REPORTS OF KALLA'S INTENTION OF VYING FOR THE GOLKAR PARTY'S PRESIDENTIAL NOMINATION IN 2004. KALLA SAID HE WAS JUST ONE OF MANY CANDIDATES, BUT LOOKED FORWARD TO BEING SELECTED AS ONE OF FIVE SHORT-LISTED CANDIDATES THIS FALL, AND HOPEFULLY BECOMING THE MAIN CANDIDATE CHOSEN AT THE PARTY'S FEBRUARY 2004 CONVENTION. KALLA ADDED THAT, BARRING ANY MAJOR PRE-ELECTION COALITION BUILDING, THE ELECTION WAS LIKELY TO GO TO A SECOND ROUND RUNOFF.
- 13. (C) A/S KELLY SAID HE WAS ENCOURAGED BY INDONESIA'S CONTINUED SUCCESS AT BREAKING UP TERRORIST NETWORKS, NOTING THAT DEMOCRATIC INSTITUTIONS HAVE SURVIVED TESTING TIMES AND WILL DO SO AGAIN DURING THE ELECTION PERIOD. KALLA RESPONDED THAT INDONESIA'S REPUTATION FOR MODERATE RELIGIOUS VIEWPOINTS WAS BEING UNDERMINED BY "OUTSIDER" CLERICS WHO FOUND WILLING AUDIENCES DUE TO PERSISTENT POVERTY AND POOR EDUCATIONAL PROSPECTS. KALLA SAID THE 2002 PEACE ACCORDS HE HAD MEDIATED BETWEEN RELIGIOUS GROUPS IN SULAWESI AND MALUKU WERE HOLDING UP WELL DESPITE OCCASIONAL CRIMINAL VIOLENCE.
- 14. (C) A/S KELLY CONGRATULATED KALLA ON HIS MEDIATION EFFORTS IN THESE CENTRAL PROVINCES, SAYING HE HOPED SIMILAR SUCCESSES WOULD FOLLOW AT THE GEOGRAPHICAL EXTREMES OF INDONESIA, PAPUA AND ACEH. A/S KELLY URGED KALLA TO ENCOURAGE CONTINUED COOPERATION BY THE INDONESIAN ARMED FORCES (TNI) WITH THE FBI INVESTIGATION INTO THE KILLINGS OF TWO AMERICANS IN TIMIKA/TEMBAGAPURA, PAPUA PROVINCE, WHICH REMAINS OF GREAT CONCERN TO THE USG. A/S KELLY, NOTING KALLA'S COVERAGE OF REFUGEE ISSUES IN HIS PORTFOLIO, ADDED THAT HE HOPED THE GOI WOULD ENSURE THE WELFARE OF CIVILIANS IN ACEH CAUGHT UP IN THE MILITARY CAMPAIGN TO ROOT OUT SEPARATISTS FROM THE FREE ACEH MOVEMENT (GAM).
- 15. (C) KALLA REPLIED THAT THE REFUGEE FLOWS IN ACEH WERE A POSITIVE DEVELOPMENT PURPOSEFULLY SOUGHT BY THE GOI TO REDUCE THE CIVILIAN PRESENCE IN AREAS TARGETED BY THE TNI. "IT IS BETTER TO HAVE REFUGEES THAN NOT," HE ADDED. KALLA SAID THE MINISTRIES HE COVERS PREPARED FOR OVER 100,000 REFUGEES, PROVIDING HUNDREDS OF DOCTORS, AMBULANCES AND WATER FACILITIES TO COPE WITH THE CONFLICT. HE SAID THEY WERE NOT PREPARED, HOWEVER, FOR THE DESTRUCTION OF OVER "15 PERCENT" OF ACEH'S SCHOOLS, WHICH HE BLAMED ON THE SEPARATISTS. KALLA SAID HE UNDERSTOOD THE IMPORTANCE OF MAINTAINING THE QUALITY OF LIFE OF ACEHNESE, AS THE GAM MOVEMENT WOULD ONLY GAIN

STRENGTH FROM ANY DISAFFECTION TOWARDS THE CENTRAL GOVERNMENT.

- 16. (C) KALLA SPOKE OF THE GOI'S CONTINUING EFFORTS TO COMBAT HIV/AIDS, AND SAID THE NATIONAL STRATEGY WAS PROCEEDING DESPITE SOME LOCAL OPPOSITION TO CONDOM USAGE OR PROMOTION. A/S KELLY AGREED THAT EFFORTS TO COMBAT THE DISEASE MUST TAKE ACCOUNT OF THE CULTURAL CONTEXT. HE ALSO EMPHASIZED THE NEED TO ELIMINATE THE SCOURGE OF TRAFFICKING-IN-PERSONS, URGING KALLA TO PRESS FOR LEGISLATION AS WELL AS INTERNAL MEASURES TO IMPROVE LAW ENFORCEMENT AND PROSECUTE TRAFFICKERS, EVEN WHEN THEY ARE OFFICIALS OR PROTECTED.
- 17. (C) COMMENT: KALLA'S MOOD WAS RELAXED AND CONFIDENT. HE TOOK PAINS TO WELCOME USG ENGAGEMENT WITH INDONESIA, CITING AS AN EXAMPLE THE SUCCESS OF A COOPERATIVE PROGRAM WITH EMBASSIES TO PROVIDE MILK TO SCHOOLCHILDREN "THEY LIKE RECEIVING THE CARTONS WITH THE AMERICAN FLAGS." KALLA LIGHTHEARTEDLY CONCURRED THAT TODAY'S WALL STREET JOURNAL ARTICLE ON INUL DARATISTA, AND THE POPULARITY OF HER RISQUE DANCING, WAS "AN EXPRESSION BY THE PROVINCES" OF FREEDOM AND BROAD-MINDEDNESS. "YOU CAN'T CONTROL THE TASTES OF THE MASSES," HE SAID. "IF YOU TRY TO SUPPRESS SOMEONE, IT WILL ONLY MAKE THEM MORE POPULAR."

POWELL